

CHILDREN & FAMILIES

January 10, 2014

Exhibit 13

CFHHS Interim Committee Provider Rate Talking Points January 10, 2014

1. Caregiver turnover
 2. Program and Admin costs reimbursement
 3. Provider rate reimbursement not keeping up with business costs
 4. Travel time and costs not reimbursed
 5. Looming "Ruralness" issue
- Caregiver turnover is a key Issue for Providers
 - Reasons given for turnover
 1. Hourly compensation too low
 2. Having to work 6-7 days per week and 50-60 hours per week in order to actually earn 35-40 hours
 3. Current rates
 - SDPAS - \$16.32
 - ABPAS - \$19.32
 - VA - \$25.00 (Can be Increased by up to 3% due to ruralness)
 - Suggestions
 1. Wage initiative
 2. Reimburse travel expenses and travel time. (An example to look at is how the VA now reimburses for travel)
 - Program and Admin Cost reimbursement
 - Providers pay the following costs that are not directly reimbursed
 1. Portal to portal wages
 2. Mileage
 3. Company orientation time
 4. PCA class training materials
 5. Mandatory PCA yearly training (8 hours per person)
 - Suggestions
 1. Find a way to reimburse for training time
 2. Reimburse travel and travel time (VA policy)
 - Provider rates not keeping up with costs of doing business
 - Examples
 1. Summit ILC (SPDAS) saw WC rate increase 22% In 2012
 2. Summit ILC saw their Health Ins premium increase 17% in 2013. This resulted in them not offering Dental and Vision coverage in 2014, raising the required min hours from 20 to 25, and raising the Employee contribution from \$25 to \$35 per month. The number of caregivers they can cover still dropped from 72 to 68.
 3. Utility costs increase
 4. Large increases in all types of Insurance
 5. Cost of gas

- Travel time and travel costs not reimbursed
 - These expenses are paid by Providers but not reimbursed
 - Suggestions
 1. The VA has begun to reimburse for travel based on the following criteria
 - 30 - 60 miles (roundtrip) = \$25
 - 61 - 90 miles (roundtrip) = \$43
 - 91 - 120 miles (roundtrip) = \$55
- Looming "Ruralness"
 - As a direct result of the rate cuts and no rate increase decisions by the Legislature and the Former Governor Schweitzer, Providers now must make decisions on providing services to consumers in rural areas not based on if they can provide that service but whether it is a good business decision based on travel time and travel expenses that they pay for but are not reimbursed. Without an immediate change in Policy, we will start to see people who are unable to receive the services that they need in order to stay in their community of choice. In addition to punishing people for not living in the city, when this happens, I firmly believe it will be a civil rights violation under the ADA and the Olmsted Decision. This will open up the State to litigation.

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